Flexibility Quota to garment exporters

754. SHRI RAJ NATH SINGH 'SURYA': Will the Minister of TEXTILES be pleased to state:

(a) whether Government have been trying to get "exceptional flexibility quota' to garment exporters from the European Union;

(b) if so, the result thereof;

(c) whether it is expected to come with certain conditions; and

(d) whether FDI in this sector would increase thereafter?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN): (a) Yes, Sir. Government have requested the European Commission (EC) to grant pending exceptional flexibilities, as per Clause 6 of the Indo-EU MoU, which was signed in December, 1994.

(b) and (c) As per Clause 2 of the MoU, India has notified the tariff bindings to the WTO against products covered in the MoU. However, EC has not yet released the exceptional flexibilities as they are examining the tariff bindings notified by India.

(d) The exceptional flexibilities released relate to export from India and as such have little bearings on FDI in India.

Unsold cloth manufactured by Pondicherry Textile Corporation

755. SHRI C.P. THIRUNAVUKKARASU: Will the Minister of TEXTILES be pleased to state:

(a) whether any provisions have been made by Government to modernise the Pondicherry Textile Corporation in the Union Territory of Pondicherry;

(b) whether it is a fact that the cloth manufactured costing several lakhs have not been sold and kept in the mill premises itself;

(c) if so, the value of the cloth; and

(d) the steps taken to sell the goods?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN): (a) to (d) The Pondicherry Textile